

## Missouri Trust Fund Projection with U.S. Department of Labor Benefit Financing Model - Avoidance

Revised 7/18/2006

Year	2005	2006	2007	2008	2009	2010	2011	2012
Insured Unemployment Rate wo/ Reimbursables(QI)	2.50%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%	2.40%
- Corresponding "old law" IUR	2.20%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%	2.12%
- Corresponding "new law" IUR	2.06%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%	1.92%
Interest Rate Earned by Trust Fund	4.90%	4.40%	4.30%	4.30%	4.60%	4.80%	4.90%	5.00%
Maximum Weekly Benefit Amount (MWBA)	\$250	\$270	\$280	\$320	\$320	\$320	\$320	\$320
Taxable Wage Base (TWB)	\$11,000	\$11,000	\$11,000	\$12,000	\$12,500	\$13,000	\$13,000	\$13,000
Tax Range*	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%	0-6%
Contribution Rate Adjustment (CRA)**	30%	30%	30%	30%	30%	30%	30%	10%
Contributions Received First Quarter	\$53,414,064	\$61,478,222	\$58,268,169	\$57,299,798	\$63,121,635	\$64,381,515	\$65,830,019	\$64,286,210
Contributions Received Second Quarter	\$259,304,669	\$301,133,963	\$284,608,956	\$307,560,053	\$312,400,926	\$317,741,376	\$310,656,871	\$253,891,370
Contributions Received Third Quarter	\$138,682,660	\$130,365,487	\$124,941,841	\$142,242,443	\$146,361,225	\$150,793,893	\$145,352,416	\$118,260,758
Contributions Received Fourth Quarter	\$78,394,750	\$75,021,733	\$73,262,448	\$82,118,919	\$84,192,540	\$86,497,502	\$84,022,766	\$69,369,101
Total Contributions Received	<b>\$529,796,143</b>	<b>\$567,999,406</b>	<b>\$541,081,414</b>	<b>\$589,221,213</b>	<b>\$606,076,326</b>	<b>\$619,414,286</b>	<b>\$605,862,073</b>	<b>\$505,807,440</b>
Benefits Paid First Quarter	\$142,571,271	\$116,220,866	\$144,318,407	\$155,996,522	\$159,052,511	\$163,998,284	\$168,253,595	\$171,922,537
Benefits Paid Second Quarter	\$99,165,064	\$90,666,456	\$102,791,387	\$111,248,259	\$113,519,740	\$117,145,691	\$120,272,573	\$122,981,640
Benefits Paid Third Quarter	\$95,590,382	\$99,546,354	\$105,330,465	\$113,989,554	\$116,314,393	\$120,016,060	\$123,210,129	\$125,977,388
Benefits Paid Fourth Quarter	\$85,565,705	\$92,155,984	\$96,880,654	\$104,592,470	\$106,679,565	\$110,036,582	\$112,937,261	\$115,463,693
Total Benefits Paid	<b>\$422,892,422</b>	<b>\$398,589,660</b>	<b>\$449,320,913</b>	<b>\$485,826,805</b>	<b>\$495,566,209</b>	<b>\$511,196,618</b>	<b>\$524,673,557</b>	<b>\$536,345,258</b>
Trust Fund Balance (UTF only) First Quarter	\$92,993	\$0	\$13,366,253	\$329,120	\$71,470,164	\$189,961,792	\$313,371,490	\$413,067,156
Trust Fund Balance (UTF only) Second Quarter	\$73,664,535	\$188,531,609	\$195,524,228	\$156,427,252	\$272,358,271	\$394,083,842	\$508,804,843	\$550,003,462
Trust Fund Balance (UTF only) Third Quarter	\$102,909,075	\$219,350,742	\$80,468,862	\$186,552,336	\$305,751,439	\$429,818,597	\$537,359,761	\$549,158,698
Trust Fund Balance (UTF only) Fourth Quarter	<b>\$43,249,783</b>	<b>\$99,416,491</b>	<b>\$57,627,492</b>	<b>\$166,002,171</b>	<b>\$286,692,701</b>	<b>\$411,339,354</b>	<b>\$514,894,972</b>	<b>\$509,685,549</b>
CY Interest Earned by Trust Fund	\$0	\$0	\$1,907,123	\$4,980,271	\$10,180,413	\$16,428,984	\$22,367,103	\$25,328,395
Outstanding Title XII Loans	\$238,256,623	\$135,456,623	\$0	\$0	\$0	\$0	\$0	\$0
Outstanding Bonded Indebtedness	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0
CY Ending Balance w/ Loans And Bonds	<b>(\$195,006,840)</b>	<b>(\$36,040,132)</b>	\$57,627,492	\$166,002,171	\$286,692,701	\$411,339,354	\$514,894,972	\$509,685,549
FUTA Reduced Credits	-	-	-	-	-	-	-	-

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The above projection assumes that the solvency level of the trust fund is sufficient to obtain avoidance in 2006 and repay the outstanding Title XII debt in 2007 without FUTA loss. It is projected that the 2006 avoidance payment will be made in the 4th quarter, and that during the 3rd quarter of 2007 the current Title XII debt will be fully repaid. The trust fund is projected to return to short-term insolvency late in the 1st quarter of 2008, all outstanding debt is project to be repaid during the 2nd quarter of 2008. 2006 cash flow repayment is based upon the actual payment made on 5/12/2006.

Based on actual data through 6/30/2006